

**GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:3317

ANSWERED ON:06.12.2016

FDI in Palm Oil Sector

Reddy Shri Ponguleti Srinivasa

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

- (a) whether Foreign investors are not showing interest in Indian Palm Oil sector and if so, the details thereof;
- (b) whether the Government has directed the States to declare oil palm as a plantation crop and if so, the details thereof and the response of the State Governments thereto;
- (c) whether some NGOs agents of foreign countries were engaged in anti-Palm Oil campaign in India in a bid to promote soya and sunflower oils of such countries and curb palm oil farming in India; and
- (d) whether the Government is planning to announce Special Palm Oil Policy and also appointment of Palm Oil board and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

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(a): Hundred percent Foreign Direct Investment (FDI) under automatic route has been allowed in the palm oil tree plantation since 24th November 2015 by the Government. Global investors normally take time to assess a new policy and its implications in the context of a particular market before making investment.

(b): Ministry of Agriculture has been consistently pursuing the matter with the concerned States to declare oil palm as a plantation crop. In this connection, Ministry of Agriculture has requested all oil palm growing States to declare oil palm as a plantation crop so that entrepreneurs may be allowed to take up cultivation and processing of this crop and avail the benefit of 100 cent FDI. Response of all concerned State Government is awaited.

(c): Ministry of Agriculture has not received any information about anti-Palm Oil campaign in India by some NGOs agents of foreign countries in a bid to promote soya and sunflower oils of such countries and curb palm oil farming in India;

(d): At present, there is no planning of the Government to announce Special Palm Oil Policy and also appointment of Palm Oil Board.
